

House Bill 350

By: Representative Sims of the 169<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

To amend Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from sales and use taxation, so as to provide for a limited period of time that the exemption for sales for off-premises human consumption or use of eligible foods and beverages shall cease to apply; to provide an exception whereby such exemption shall continue to apply during such period of time for persons who have attained a certain age or are the recipient of certain social services benefits; to provide for a short title and legislative intent; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

This Act shall be known and may be cited as the "PeachCare Restoration Act." It is the intent of this Act to provide a source of funds to be appropriated through the normal budgetary process for the purpose of addressing an existing crisis in the funding of the PeachCare for Kids Program.

**SECTION 2.**

Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from sales and use taxation, is amended by revising paragraph (57) as follows:

"(57)(A) The sale for off-premises human consumption or use of eligible foods and beverages, to the extent provided in subparagraph (B) of this paragraph. ~~(B) A transaction described in this subparagraph (A) of this paragraph shall be exempt from sales and use tax only if occurring on;~~

(i) On or after October 1, 1996, and prior to July 1, 2007;

(ii) On or after July 1, 2009; or

(iii) On or after July 1, 2007, and prior to July 1, 2009, but during this period of time a transaction shall be exempt only if it is a sale to or use by a person who displays

1 proper identification verifying that such person is: (I) age 65 or older; (II) a recipient  
2 of medicare disability benefits; or (III) a recipient of Medicaid benefits.

3 (B) A transaction described in subparagraph (A) of this paragraph shall be exempt  
4 from sales and use tax and only to the extent set forth in divisions (i) through (iii) of  
5 this subparagraph as follows:

6 (i) For a transaction occurring during the period from October 1, 1996, through  
7 September 30, 1997, to the extent of 50 percent of that amount on which, but for this  
8 paragraph, sales and use tax would be levied or imposed;

9 (ii) For a transaction occurring during the period from October 1, 1997, through  
10 September 30, 1998, to the extent of 75 percent of that amount on which, but for this  
11 paragraph, sales and use tax would be levied or imposed; and

12 (iii) For a transaction occurring on or after October 1, 1998, to the extent of 100  
13 percent of that amount on which, but for this paragraph, sales and use tax would be  
14 levied or imposed.

15 (C) For the purposes of this paragraph, 'eligible food and beverages' means any food  
16 as defined in Section 3 of the federal Food Stamp Act of 1977 (P.L. 95-113), as  
17 amended, 7 U.S.C.A. 2012(g), as such Act existed on January 1, 1996, except that  
18 eligible food and beverages shall not include seeds or plants to grow food and shall not  
19 include food or drink dispensed by or through vending machines or related operations.

20 (D)(i) The exemption provided for in this paragraph shall not apply to any local sales  
21 and use tax levied or imposed at any time by or pursuant to Article 3 of this chapter.

22 (ii) Except as otherwise provided in division (i) of this subparagraph, the exemption  
23 provided for in this paragraph shall not apply to any local sales and use tax which is  
24 effective before October 1, 1996, notwithstanding any provisions to the contrary in  
25 the law authorizing or imposing such tax.

26 (iii) Except as otherwise provided in divisions (i) and (iv) of this subparagraph, the  
27 exemption provided for in this paragraph shall apply with respect to any local sales  
28 and use tax which becomes effective on or after October 1, 1996, but such exemption  
29 shall apply only as to transactions occurring on ~~or after October 1, 1998~~, the dates  
30 described in subparagraph (A) of this paragraph notwithstanding any provision to the  
31 contrary in the law authorizing or imposing such tax.

32 (iv) The exemption provided for in this paragraph shall apply to any local sales and  
33 use tax levied or imposed at any time by or pursuant to Article 2A of this chapter.

34 (v) For the purposes of this subparagraph, the term 'local sales and use tax' shall mean  
35 any sales tax, use tax, or local sales and use tax which is levied and imposed in an  
36 area consisting of less than the entire state, however authorized, including, but not  
37 limited to, such taxes authorized by or pursuant to constitutional amendment; by or

pursuant to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; by or pursuant to Article 2 of this chapter; by or pursuant to Article 2A of this chapter; or by or pursuant to Article 3 of this chapter.

(E) The commissioner shall adopt rules and regulations to carry out the provisions of this paragraph;"

### SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.